

COMMONWEALTH OF KENTUCKY
BEFORE THE PUBLIC SERVICE COMMISSION

In the Matter of:

THE APPLICATION OF ATMOS ENERGY)
CORPORATION (ATMOS), THROUGH ITS)
DIVISION, WESTERN KENTUCKY GAS COMPANY)
OF OWENSBORO, KENTUCKY, FOR AN ORDER)
AUTHORIZING THE CREATION AND ISSUANCE)
OF 150,000 SHARES OF COMMON STOCK)
THROUGH ITS EQUITY INCENTIVE AND)
DEFERRED COMPENSATION PLAN FOR)
NON-EMPLOYEE DIRECTORS AND 1,500,000)
SHARES THROUGH ITS 1998 LONG-TERM)
INCENTIVE PLAN)

CASE NO. 98-509

ORDER

On September 30, 1998, Atmos Energy Corporation ("Atmos"), through its division, Western Kentucky Gas Company ("Western"), applied to the Commission for authority to create and issue 150,000 shares of its no par value common stock pursuant to its Equity Incentive and Deferred Compensation Plan for Non-Employee Directors. Atmos also proposed to create and issue 1,500,000 shares of its no par value common stock through its 1998 Long-Term Incentive Plan.

KRS 278.300(2) provides that the Commission shall have 60 days after filing to consider applications for authority to issue or assume securities or evidences of indebtedness unless it is necessary for good cause to continue the application. Additional information is needed in the record in this case and it will be necessary to extend the time for ruling on the financing application beyond the 60-day limit in order to obtain and review the information. Therefore, the Commission finds that good cause

exists to continue the financing application beyond the 60-day period specified in KRS 278.300(2).

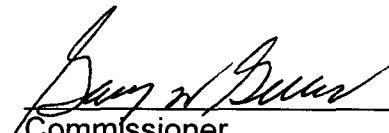
IT IS THEREFORE ORDERED that Atmos's application for authority to incur additional indebtedness is continued beyond the 60-day period specified in KRS 278.300(2).

Done at Frankfort, Kentucky, this 24th day of November, 1998.

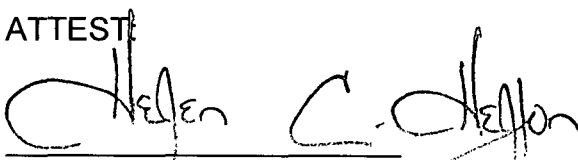
PUBLIC SERVICE COMMISSION


Chairman


Vice Chairman


Commissioner

ATTEST:


Executive Director